Testimony in Opposition to HB 5290, An Act Sunsetting the Highway Use Tax

Good afternoon Senator Fonfara, Representative Horn and distinguished members of the Finance, Revenue, & Bonding Committee. My name is Kevin Hussain, representing the American Council of Engineering Companies of Connecticut (ACEC-CT). I am here today to speak in **opposition to HB 5290, An Act Sunsetting the Highway Use Tax**. ACEC-CT is the leading organization supporting the business and professional interests of consulting engineering firms in Connecticut. These firms employ over 2000 highly skilled engineers in over 70 firms throughout the state. A significant goal of the organization is to educate and promote a better understanding of the infrastructure needs of the state and its residents. Economic development depends on a reliable and effective transportation network and infrastructure.

More than 21,000 lane miles and over 5000 bridges connect the state's cities and towns and carry over 31 billion vehicle trips per year. With these statistics in mind, Connecticut businesses, workers, visitors and residents need and deserve a transportation system that is reliable, safe and effective.

The opportunity to make transformational improvements to Connecticut's transportation infrastructure has never been better. To fully leverage the significant funding available via the Infrastructure Investment and Jobs Act (IIJA), we must be prepared with appropriate state matching funds through the STF (which is only healthy until 2025/2026). The highway tax is a fair user-based revenue generator that is paid by commercial vehicles for miles driven through Connecticut. The funds generated by this tax are vital to the health of the STF and our ability to optimized available federal funding. Additionally, with the current inflation levels and pending recession, the rainy-day fund will dissipate rather quickly in the coming years.

Connecticut is at a critical crossroads as it looks to remain competitive in the global marketplace while facing the challenge of reconstructing an aging infrastructure that suffers from years of deferred maintenance and underinvestment. There are immediate needs on our roads, bridges and transit systems. I-95 is a parking lot and the stretch between Westport and Greenwich just made it to #1 most congested corridor in the US! Eliminating \$90M from the annual budget is going to have significant impacts to the traveling public.

A recent report released by TRIP (TRIP is a national, nonprofit transportation research group based in Washington that is sponsored by insurance companies, equipment manufacturers, and businesses involved in highway construction) found a total of 61% of Connecticut's major roads are in poor or mediocre condition. Driving on deteriorated roads costs Connecticut motorists \$1.9 billion a year – \$728 per driver – in the form of additional repairs, accelerated vehicle depreciation, and increased fuel consumption and tire wear.

Connecticut deserves a transportation infrastructure system that provides a network of roads, transit, highways and bridges that are well maintained, safe and less congested. Connecticut's transportation network is integral to the success of the state's economy. Connecticut must protect revenue that is generated from transportation such as the highway use tax to build, operate, maintain and improve our transportation infrastructure.

I respectfully ask the committee to oppose HB 5290, AA Sunsetting the Highway Use Tax.